

Investment update

As at 30 April 2018

Snapshot

Pre-tax net tangible assets

\$1.00

Gross assets

\$95.0m

Century Australia

ASX code	CYA
Listed	April 2004
Gross assets	\$95.0m
Market cap	\$89.6m
Share price	\$0.95
NTA before tax	\$1.00
Shares on issue	94,268,790
FY2018 fully franked interim dividend	2.09c

Investment objectives

- Deliver a regular income stream via fully franked dividends
- Provide capital growth over the medium-to-long term
- Preserve capital

Wilson Asset Management investment and management team

Geoff Wilson AO	Chairman & Portfolio Manager
Kate Thorley	Chief Executive Officer
Chris Stott	Chief Investment Officer & Portfolio Manager
Matthew Haupt	Portfolio Manager
Catriona Burns	Portfolio Manager
Martin Hickson	Portfolio Manager
Oscar Oberg	Portfolio Manager
Tobias Yao	Senior Equity Analyst
John Ayoub	Senior Equity Analyst
Cooper Rogers	Assistant Dealer

Company Overview

On 18 April 2017, shareholders of Century Australia Investments Limited (ASX: CYA) approved the appointment of MAM Pty Limited, a member of the Wilson Asset Management Group, as the new investment manager. Century will provide investors with access to a portfolio predominately comprised of large-cap companies in the S&P/ASX 300 Index and the investment management expertise of Wilson Asset Management.

Shareholder Presentations

Hobart & Launceston	11 May
Canberra	14 May
Sydney	15 May
Brisbane	16 May
Toowoomba	17 May
Perth	21 May
Adelaide	22 May
Melbourne	24 May

RESERVE YOUR PLACE NOW

WAM Global initial public offering

WAM Global launched its initial public offering (IPO) on 2 May and exceeded the minimum offer proceeds on the same day. The general and priority offers are open and expected to close on 8 June. Century Australia shareholders are eligible to take part in the \$165 million priority allocation to the Wilson Asset Management Family.

Visit www.wilsonassetmanagement.com.au/global to participate in the IPO.

May 2018 Shareholder Presentations

This month, we will be travelling across the country to meet with investors about our LICs, including WAM Global. We will also discuss investment themes, trends and opportunities we are seeing across Australian and global equity markets. Lunch will be served following the presentations, so we encourage you to stay and talk to the team. [Register now!](#)

Portfolio update

The Century Australia investment portfolio increased 3.1% in April. Resources led the month's gain following a raft of positive quarterly results. Noteworthy contributors to the portfolio outperformance included BHP Billiton (ASX: BHP) up 9.7%, Rio Tinto (ASX: RIO) up 9.9%, South32 (ASX: S32) up 15.5% and Alumina (ASX: AWC) up 11.9%. In addition, oil and gas company Santos (ASX: STO) rallied 21.1% during the month on news of its proposed \$13.5 billion takeover offer by US-based Harbour Energy. We believe the proposed takeover is positive for the Australian liquefied natural gas sector as it highlights continued strong demand for the commodity. Due diligence on this prospective deal is expected to finish later this month. We own STO as a market-driven investment in the portfolio.

Market overview

The S&P/ASX 300 Accumulation Index finished up 3.8% in April, rebounding strongly following a weak March, which saw the Index fall 3.7%. This was led by robust Chinese economic growth data, driving commodity prices up, and an abatement in geopolitical risks, particularly surrounding 'trade wars'. The International Monetary Fund maintained its positive outlook on global economic growth, forecast to be 3.9% in 2018, the best annual growth rate since 2011.

Performance

Performance at	1	3	6	Fin	Since
30 April 2018	mth	mths	mths	YTD	appointment of new investment manager (April-17)
CYA Investment Portfolio*	3.1%	1.0%	5.5%	10.9%	11.7%
S&P/ASX 300 Accumulation Index	3.8%	0.2%	3.4%	8.4%	7.3%
Outperformance	-0.7%	+0.8%	+2.1%	+2.5%	+4.4%

*Investment performance and Index returns are before expenses, fees and taxes.

Net tangible assets (NTA) figures

NTA before tax	100.4c
Deferred tax asset on carry forward realised losses	5.8c
Deferred tax liability on unrealised income and gains	(1.5)c
NTA after tax	104.7c

In addition to the deferred tax assets of 5.8 cents per share recorded in the accounts there is a further \$1.9 million or 2.1 cents per share of tax benefit on realised losses that is not carried on the company's balance sheet and is available to be offset against future taxation liabilities.

The fact that Century Australia is currently not liable to pay tax means that the level of franked dividends paid is reliant on the level of franking credits received by way of fully franked dividend income. Once the total carry forward losses are utilised, Century Australia will return to paying tax on any realised gains. Tax payments will generate additional franking credits from which franked dividends can be paid.

Diversified portfolio

Investment type	March 2018		April 2018	
	\$m	%	\$m	%
Listed equities	85.9	93.2	84.4	88.8
Fixed interest & cash	6.3	6.8	10.6	11.2
Gross assets	92.2	100.0	95.0	100.0
Total shares on issue	94,268,790		94,268,790	

Top 20 holdings

Code	Company	Code	Company
AGL	AGL Energy Limited	NAB	National Australia Bank Limited
AMC	Amcor Limited	ORG	Origin Energy Limited
AMP	AMP Limited	QBE	QBE Insurance Group Limited
ANZ	Australia and New Zealand Banking Group Limited	RIO	Rio Tinto Limited
BHP	BHP Billiton Limited	SGR	The Star Entertainment Group Limited
CBA	Commonwealth Bank of Australia	TAH	Tabcorp Holdings Limited
CSL	CSL Limited	TLS	Telstra Corporation Limited
JHX	James Hardie Industries PLC	WBC	Westpac Banking Corporation
MQG	Macquarie Group Limited	WOW	Woolworths Group Limited
MTR	Mantra Group Limited	WPL	Woodside Petroleum Limited

The top 20 holdings are presented in alphabetical order.